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Agency Name Public Service Commission	1. Chapter Number 103	2. Date of Filing September 3, 2019
3. Regulation Number 103-811	4. Subject of Regulation PSC Procedure to Employ, through Contract or Otherwise, Third-Party Consultants or Experts	
5. Statutory Authority S.C. Code Ann. Sections 58-3-140, 58-37-60, and 58-41-20		
6. Type of Filing _____ NOTICE OF GENERAL PUBLIC INTEREST ____X____ NOTICE OF DRAFTING _____ PROPOSED REGULATION _____ EMERGENCY REGULATION _____ FINAL REGULATION FOR GENERAL ASSEMBLY REVIEW _____ RESUBMISSION OF WITHDRAWN REGULATION FOR GENERAL ASSEMBLY REVIEW _____ FINAL REGULATION EXEMPT FROM GENERAL ASSEMBLY REVIEW		
5. For Additional Information, Contact Jocelyn Boyd		6. Telephone Number 803-896-5100
7. Typed Name of Official Jocelyn Boyd	8. Signature of Official	9. Date September 3, 2019

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10. For publication in SR Volume _____ Issue _____ Document Number _____ Verification: _____	<div style="text-align: center;"> FILED <small>OFFICIAL FILING STAMP</small> SEP 03 2019 S.C. LEGISLATIVE COUNCIL </div>

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
CHAPTER 103

Statutory Authority: 1976 Code Sections 58-3-140, 58-37-60 (2019 Supplement), and 58-41-20
 (2019 Supplement)

Notice of Drafting:

The Public Service Commission of South Carolina proposes to add a regulation which provides a process for the Commission to engage qualified independent third-party consultants and experts. The proposed regulation is necessary to provide a documented and transparent public process for employing, through contract or otherwise, qualified independent third-party consultants and experts for the Commission. Interested persons may submit comments to the Public Service Commission, Clerk's Office, 101 Executive Center Drive, Suite 100, Columbia, South Carolina 29210. Please reference Docket Number 2019-289-A. To be considered, comments must be received no later than 4:45 p.m. on November 8, 2019.

Synopsis:

Act 62 of 2019, or the South Carolina Energy Freedom Act, was signed by Governor Henry McMaster on May 16, 2019. At least two sections of Act 62 reference the Commission's ability to hire external consultants or experts to assist in fulfilling the requirements of the law. S.C. Code Ann. Section 58-41-20 (I) states, in part, "The commission is authorized to employ, through contract or otherwise, third-party consultants and experts in carrying out its duties under this section, including, but not limited to, evaluating avoided cost rates, methodologies, terms, calculations, and conditions under this section. The commission is exempt from complying with the State Procurement Code in the selection and hiring of a third-party consultant or expert authorized by this subsection. The commission shall engage, for each utility, a qualified independent third party to submit a report that includes the third party's independently derived conclusions as to that third party's opinion of each utility's calculation of avoided costs for purposes of proceedings conducted pursuant to this section. The qualified independent third party is subject to the same ex parte prohibitions contained in Chapter 3, Title 58 as all other parties." Also, S.C. Code Ann. Section 58-37-60 states:

(A) The commission and the Office of Regulatory Staff are authorized to initiate an independent study to evaluate the integration of renewable energy and emerging energy technologies into the electric grid for the public interest. An integration study conducted pursuant to this section shall evaluate what is required for electrical utilities to integrate increased levels of renewable energy and emerging energy technologies while maintaining economic, reliable, and safe operation of the electricity grid in a manner consistent with the public interest. Studies shall be based on the balancing areas of each electrical utility. The commission shall provide an opportunity for interested parties to provide input on the appropriate scope of the study and also to provide comments on a draft report before it is finalized. All data and information relied on by the independent consultant in preparation of the draft study shall be made available to interested parties, subject to appropriate confidentiality protections, during the public comment period. The results of the independent study shall be reported to the General Assembly.

(B) The commission may require regular updates from utilities regarding the implementation of the state's renewable energy policies.

(C) The commission may hire or retain a consultant to assist with the independent study authorized by this section. The commission is exempt from complying with the State Procurement Code in the selection and hiring of the consultant authorized by this subsection."

The proposed regulation will provide a documented procedure including, but not limited to, accepting applications from prospective consultants and experts, public interviews, and final decisions made by Commissioners related to the pool of applicants.

Legislative review of this proposal will be required.